

INFORMATION REPORT

CD NO.

COUNTRY Austria/Czechoslovakia

DATE DISTR. 8 NOV 49

SUBJECT Illegal USIA Transactions with
 Czechoslovakia

NO. OF PAGES 2

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The following information on illegal USIA transactions with Czechoslovakia was acquired from a usually reliable source through an informant who is believed to be reliable and who has submitted similar information in the past. The dates given are those on which agreements governing these transactions were signed.

1. On 27 June 1949, an unnamed USIA office at Vienna IV, Theresianumgasse 33, agreed to ship 11,000 kilograms of sole leather worth 738,400 Czech crowns to Exikon (formerly Kotva), Zlin, Czechoslovakia, in exchange for 5,000 kilograms of rubber bands (Gummifaden) valued at the same figure.
2. On 11 August 1949, Generale Vertretung fuer Baustoffe, Vertrieb von Baumaterialien, Vienna, agreed to deliver 15,000 tons of paving blocks, valued at 13,650,000 Czech crowns, to Czechoslovakia; in return USIA is to receive:

Article

Value in Czech Crowns

1,000 tons of green moulding sand
(Formsand)

293,300

10,816,190 bricks, 25 x 12 x 6½ cm

11.357.000

55,200 kilograms of white undecorated
porcelain

2.000.000

Total 13,650,300 Czech Crowns

3. Intrac A.G. was the intermediary in a transaction, dated 6 September 1949, in which Simonis & Co. will export the following to Czechoslovakia:

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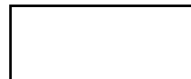
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| Article | Value in Dollars |
|---|------------------|
| 127,707 kilograms of zinc | \$29,117.19 |
| 16,000 tons of calcined pyrite (Kiesabbaende) | 67,200.00 |
| 6 tons of quicksilver | 9,730.00 |
| Copper pipes | <u>3,005.00</u> |
| Total | \$109,052.19 |


Czechoslovakia bound itself to ship in return:

| | |
|--------------------------|------------------|
| 10 carloads of chocolate | \$ 85,000.00 |
| 5 Tatra automobiles | 13,000.00 |
| Textiles | <u>11,052.19</u> |
| Total | \$109,052.19 |


4. The following four transactions were undated, but are described as having taken place "recently". The Czech partner to the agreement is not specified in any of these cases.

- a. Simonis & Co. is to deliver 150 tons of lead dust, worth 3,849,000 Czech crowns, in exchange for 160 tons of lead scraps worth the same amount.
- b. Simonis & Co. will deliver 500 tons of lead plates, valued at 10,250,000 Czech crowns, in exchange for 275 tons of lead scraps valued at the same amount.
- c. Simonis & Co. will deliver 50 tons of special lead dust (Spezialbleistaub), worth 1,750,000 Czech crowns, in return for 75 tons of lead scraps worth the same amount.
- d. "Inhag", Vienna IX, Rooseveltplatz 10, delivers 2,100 kilograms of ball bearings, worth 242,828 Czech crowns, in return for 1,090 meters of flannel cloth valued at the same amount. **

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*  Comment: Probably Simonis & Co., Ex- und Import Kommanditgesellschaft, Miesstalerstrasse 18, Klagenfurt. The owner of this firm is given by the 1949 Handelscompass as Fritz KEMPF, prokurist, Karl SPITZ.

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***  Comment: "Inhag" Industrie- und Handelsgesellschaft m.b.H., Pestalozzistrasse 62, Graz; branch office Vienna IX, Rooseveltplatz 10; manager, Dr. Ludwig NEUSSER. According to the 1949 Handels Compass, this firm handles agricultural products, machinery, raw materials, building materials and glassware, and engages in international compensation transactions.

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